

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

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A

JUL 26 2005

W-02327A
Antelope Run Water Company
301 North Garden Avenue
Sierra Vista AZ 856350000

**AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES**

ANNUAL REPORT

FOR YEAR ENDING

12	31	2004
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FOR COMMISSION USE

ANN04	04
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COMPANY INFORMATION

Company Name (Business Name) <u>ANTELOPE RUN WATER CO</u>		
Mailing Address <u>301 N Garden Ave</u>		
<u>SIERRA VISTA</u> (City)	<u>AZ</u> (State)	<u>85635</u> (Zip)
<u>520-458-3209</u> Telephone No. (Include Area Code)	<u>520-439-9717</u> Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address _____		
Local Office Mailing Address <u>SAME</u>		
 (City)	 (State)	 (Zip)
 Local Office Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

Management Contact: <u>NATHAN WATKINS</u>			
 (Name)		 (Title)	
<u>301 N Garden Ave</u> (Street)	<u>SIERRA VISTA</u> (City)	<u>AZ</u> (State)	<u>85635</u> (Zip)
<u>520 458-3209</u> Telephone No. (Include Area Code)	<u>520-439-9717</u> Fax No. (Include Area Code)	<u>520-266-1976</u> Pager/Cell No. (Include Area Code)	
Email Address <u>eswater@theriver.com</u>			
On Site Manager: _____			
 (Name)			
 (Street)	 (City)	 (State)	 (Zip)
 Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)	
Email Address _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Bob Watkins
(Name)

301 N Garden Ave Sierra Vista AZ 85635
(Street) (City) (State) (Zip)

520 458-4388 520 459-7603 _____
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: N/A
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE | <input checked="" type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

ANTELOPE RUN WATER CO.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	350		350
304	Structures and Improvements	2,014	1,785	229
307	Wells and Springs	23,856	22,731	1,125
311	Pumping Equipment	40,181	22,258	17,923
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	3,167	2,502	665
331	Transmission and Distribution Mains	112,744	67,806	44,938
333	Services			
334	Meters and Meter Installations	3,636	3,230	406
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	1,097	1,097	0
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	187,045	121,409	65,636

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME ANTELOPE RUN WATER CO.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	350		
304	Structures and Improvements	2,014		51
307	Wells and Springs	23,856		216
311	Pumping Equipment	40,181		3,478
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	3,167		-
331	Transmission and Distribution Mains	112,744		6,696
333	Services			
334	Meters and Meter Installations	3,636		206
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	1,097		57
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	187,045		10,704

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

COMPANY NAME ANTELOPE RUN WATER CO.

BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 4,808	\$ 1,500
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	32	201
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 4,840	\$ 1,701
	FIXED ASSETS		
101	Utility Plant in Service	\$ 176,665	\$ 187,045
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	< 110,706 >	< 121,409 >
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 65,959	\$ 65,636
	TOTAL ASSETS	\$ 70,799	\$ 67,337

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME ANTELOPE RUN WATER CO.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 4,420	\$ 0
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	13,114	13,114
235	Customer Deposits		
236	Accrued Taxes	1,637	750
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 19,171	\$ 13,864
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	48,005	48,613
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 48,005	\$ 48,613
	TOTAL LIABILITIES	\$ 67,176	\$ 48,613
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)	3,623	4,860
	TOTAL CAPITAL	\$ 3,623	\$ 4,860
	TOTAL LIABILITIES AND CAPITAL	\$ 70,799	\$ 67,337

COMPANY NAME ANTELOPE RUN WATER CO.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 38,666	\$ 42,637
460	Unmetered Water Revenue	3,582	447
474	Other Water Revenues	261	
	TOTAL REVENUES	\$ 42,509	\$ 43,084
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 7,150	\$ 7,550
610	Purchased Water		1,350
615	Purchased Power	10,461	8,415
618	Chemicals		
620	Repairs and Maintenance	3,074	14,275
621	Office Supplies and Expense	1,379	1,441
630	Outside Services	700	760
635	Water Testing	1,316	756
641	Rents	1,200	1,200
650	Transportation Expenses		
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	57	30
403	Depreciation Expense	10,905	10,704
408	Taxes Other Than Income	906	982
408.11	Property Taxes	2,009	2,385
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 39,157	\$ 49,848
	OPERATING INCOME/(LOSS)	\$ 3,352	\$ < 6,764 >
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$
	NET INCOME/(LOSS)	\$ 3,352	\$ < 6,764 >

COMPANY NAME ANTELOPE RUN WATER CO.

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 6953

Meter Deposits Refunded During the Test Year

\$ 1417

COMPANY NAME ANTELOPE RUN WATER CO.

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-632904	20	180	140	10	3	1979
55-632905	N/A	N/A	950	8	N/A	1979
55-632906	1	15	100	8	N/A	1979

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
17000	1	6000	1
3000	1	1500	1
		85	1

COMPANY NAME ANTELOPE RUN WATER CO.

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	1000
3		
4	PVC	13500
5		
6	PVC	15000
8	PVC	100
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	132
3/4	
1	4
1 1/2	
2	1
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

STRUCTURES:

fences

OTHER:

office furniture + equipment

COMPANY NAME: ANTELOPE RUN WATER CO

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2004

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD Thousands	GALLON PUMPED (Thousands)
JANUARY	127	1888	
FEBRUARY	128	1282	
MARCH	126	940	
APRIL	125	1215	
MAY	129	1609	
JUNE	131	2221	
JULY	132	3065	
AUGUST	133	2262	
SEPTEMBER	134	1998	
OCTOBER	131	1937	
NOVEMBER	135	2324	
DECEMBER	137	1374	
TOTAL			

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (x) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (x) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. < 0.001 mg/l
(If more than one well, please list each separately.)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME ANTELOPE RUN WATER CO. YEAR ENDING 12/31/2004

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2004 was: \$ 3,389.32

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

ANTELOPE RUN WATER COMPANY

301 N. GARDEN AVE.
SIERRA VISTA, ARIZONA 85635
(520) 458-4388

WELLS FARGO BANK
Sierra Vista Office
Sierra Vista, Arizona

91-527/1221

1760

4/5/2004

PAY TO THE ORDER OF MARSHA BONHAM.

\$ **1,004.36

One Thousand Four and 36/100*****

DOLLARS

MARSHA BONHAM.

MEMO PAR#901-26-870-6 2nd half 2003

⑈001760⑈ ⑆122105278⑆0911759819⑈

⑈0000100436⑈

ANTELOPE RUN WATER COMPANY

301 N. GARDEN AVE.
SIERRA VISTA, ARIZONA 85635
(520) 458-4388

WELLS FARGO BANK
Sierra Vista Office
Sierra Vista, Arizona

91-527/1221

1835

10/4/2004

PAY TO THE ORDER OF MARSHA BONHAM.

\$ **2,384.96

Two Thousand Three Hundred Eighty-Four and 96/100*****

DOLLARS

MARSHA BONHAM.

MEMO

⑈001835⑈ ⑆122105278⑆0911759819⑈

⑈0000238496⑈

COMPANY NAME ANTELOPE RUN WATER CO.

YEAR ENDING 12/31/2004

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>< 16,356 ></u>
Estimated or Actual Federal Tax Liability	<u>0</u>

State Taxable Income Reported	<u>< 16,356 ></u>
Estimated or Actual State Tax Liability	<u>0</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	_____
Amount of Gross-Up Tax Collected	_____
Total Grossed-Up Contributions/Advances	_____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

<u>Nathan Watkins</u>
SIGNATURE

<u>7-22-05</u>
DATE

<u>NATHAN WATKINS</u>
PRINTED NAME

<u>Manager</u>
TITLE

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

JUL 26 2005

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>COCHISE</u>
NAME (OWNER OR OFFICIAL) TITLE <u>NATHAN WATKINS</u>
COMPANY NAME <u>ANTELOPE RUN WATER CO.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 45,809

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 2,725
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Nathan Watkins
SIGNATURE OF OWNER OR OFFICIAL
520-458-3209
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

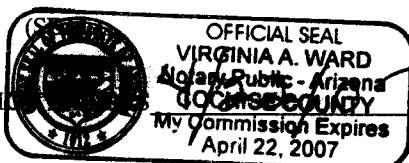
THIS

25th

DAY OF

COUNTY NAME	<u>Cochise</u>
MONTH	<u>July</u>
	<u>2005</u>

MY COMMISSION



Virginia A. Ward
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

JUL 26 2005

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>COCHISE</u>	
NAME (OWNER OR OFFICIAL) <u>NATHAN WATKINS</u>	TITLE <u>MANAGER</u>
COMPANY NAME <u>ANTELOPE RUN WATER CO.</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2004</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>42,121.</u>
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(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 2,569
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Nathan Watkins
SIGNATURE OF OWNER OR OFFICIAL

520-458-3209
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

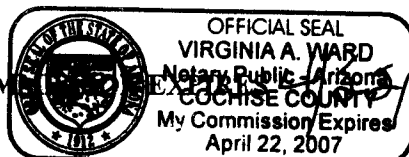
25th

DAY OF

NOTARY PUBLIC NAME <u>Virginia A. Ward</u>	
COUNTY NAME <u>Cochise</u>	
MONTH <u>July</u>	20 <u>05</u>

(SEAL)

MY COM



X

Virginia Ward
SIGNATURE OF NOTARY PUBLIC

FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' year-end (Calendar Year 2004) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**